Bangladesh Expatriate Workers and their Contribution to National Development
(Profile of migration, remittance and impact on economy)

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Introduction

This paper has assessed the pattern of migration, socio-economic benefit and impact of the remittances earned by the expatriate workers. It has analyzed the use of remittance and contribution to the national economy of Bangladesh.

Bangladesh like other South-Asian countries is in a situation of surplus manpower with a combination of professional, skilled, semi-skilled and less-skilled labour force. Local wage employment cannot absorb the huge low skilled and less educated workforce. This large volume of workforce needs to be engaged in employment to ensure their participation in the economic development of the countries as well to improve their family standard.

Migration plays a vital role in the national economy mainly in two major ways; firstly it reduces unemployment and secondly migration results in remittance flows for the country. The migration has shown steady growth over the year that is favorable to the development of Bangladesh; as inflow of remittance has increased every year. The links between migration and remittances are self evident. Both have a strong co-relation to poverty reduction in home countries. Remittance has become an important aspect for the developing countries like Bangladesh for socio-economic advancement. Remittance has a significant role to maintain balance of payment and to enrich foreign currency reserve. It also has a great contribution in Gross Domestic Product (GDP) of the country. Migration is gradually being considered as the development alternative to the family level of workers particularly the illiterate and un-skilled workforce.

Migration from Bangladesh

Migration has become an important livelihood strategy for the people of Bangladesh. It has remarkable positive impact on social development and empowerment through skill transfer and by fostering many community development initiatives. Bangladesh has a long history of international migration. During British rule some people migrated to UK and also USA for trade and higher study. But after independence of Bangladesh in 1971, the flow of migration to other countries also increased. During mid 1970s due to oil exploration of Middle East countries, there was tremendous demand for skilled and unskilled workers. The
higher income of the migrated person not only changes his destiny, but has also improved the lives of his family in the home country.

Bangladesh is considered as a resourceful country of a huge labour-force. About 60 million people constitute this vast reservoir of active manpower; Bangladesh is steadily turning her manpower into an asset through training and skill development with a view to meeting the needs of overseas employment. It is not possible for Bangladesh to absorb the full range of available less-skilled, semi-skilled, skilled and professional manpower within the country in an appropriate manner and hence it is needed to find employment opportunities abroad. There are also a number of foreign countries who are in need of importing manpower from other countries. Overseas employment from Bangladesh started officially in 1976 with a modest number (6,078) of workers.

Presently about 7.5m Bangladeshi migrants are working all over the world. Yearly migration from Bangladesh is about 0.3-0.4m. In the years of 2010, the migration from Bangladesh was 3,90,702. Bangladeshi workers are mainly engaged in 143 countries of the world but about 90% of the migration takes place in the Middle East and Malaysia. Libya, Qatar Saudi Arabia, UAE, Kuwait, Oman, Malaysia and Singapore are some of the major countries of destination.

Currently two types of international migration occur from Bangladesh. One takes place mostly to the industrialized west and the other to Middle Eastern and South East Asian countries. Voluntary migration to the industrialized west includes permanent residents, immigrants, work permit holders and professionals. They are usually perceived as long term or permanent migrants. Migration to Middle East and South East Asia are usually for short term and that migrants return home after finishing their contracts of employment in the host countries.

Bangladesh has classified temporary migrant population into four categories. These are professional, skilled, semi-skilled, and unskilled. Doctors, engineers, nurses and teachers are considered as professionals. Manufacturing or garments workers are considered as skilled; while tailor, mason, etc. as semi-skilled workers; housemaid, cleaner, laborers are classified as less-skilled. Figure of migration and remittance from 1976 to 2010 is shown in Table 1.
Table-1: Flow of Migration from Bangladesh

A. Year-wise from 1976 to 2010

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
<th>Year</th>
<th>Number</th>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1976</td>
<td>6087</td>
<td>1987</td>
<td>74017</td>
<td>1999</td>
<td>268182</td>
</tr>
<tr>
<td>1977</td>
<td>15775</td>
<td>1988</td>
<td>68171</td>
<td>2000</td>
<td>779686</td>
</tr>
<tr>
<td>1978</td>
<td>77800</td>
<td>1989</td>
<td>103814</td>
<td>2001</td>
<td>188865</td>
</tr>
<tr>
<td>1979</td>
<td>24495</td>
<td>1990</td>
<td>147131</td>
<td>2002</td>
<td>222686</td>
</tr>
<tr>
<td>1980</td>
<td>30073</td>
<td>1991</td>
<td>188174</td>
<td>2003</td>
<td>225956</td>
</tr>
<tr>
<td>1982</td>
<td>67676</td>
<td>1993</td>
<td>211714</td>
<td>2005</td>
<td>252702</td>
</tr>
<tr>
<td>1983</td>
<td>59220</td>
<td>1994</td>
<td>186376</td>
<td>2006</td>
<td>381516</td>
</tr>
<tr>
<td>1984</td>
<td>56714</td>
<td>1995</td>
<td>197543</td>
<td>2007</td>
<td>357609</td>
</tr>
<tr>
<td>1985</td>
<td>77694</td>
<td>1996</td>
<td>211714</td>
<td>2008</td>
<td>875055</td>
</tr>
<tr>
<td>1986</td>
<td>68658</td>
<td>1997</td>
<td>231077</td>
<td>2009</td>
<td>475278</td>
</tr>
<tr>
<td>1998</td>
<td>767667</td>
<td>2010</td>
<td>390702</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Bureau of Manpower Employment and Training (BMET)

B. Category-wise (2001-2010)

<table>
<thead>
<tr>
<th>Year</th>
<th>Worker's Category</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Professional</td>
<td>Skilled</td>
</tr>
<tr>
<td>2001</td>
<td>5,940</td>
<td>42,742</td>
</tr>
<tr>
<td>2002</td>
<td>14,450</td>
<td>56,265</td>
</tr>
<tr>
<td>2003</td>
<td>15,862</td>
<td>74,530</td>
</tr>
<tr>
<td>2004</td>
<td>12,202</td>
<td>110,177</td>
</tr>
<tr>
<td>2005</td>
<td>1,945</td>
<td>113,655</td>
</tr>
<tr>
<td>2006</td>
<td>925</td>
<td>115,468</td>
</tr>
<tr>
<td>2007</td>
<td>676</td>
<td>165,338</td>
</tr>
<tr>
<td>2008</td>
<td>1,864</td>
<td>292,364</td>
</tr>
<tr>
<td>2009</td>
<td>1,426</td>
<td>134,265</td>
</tr>
<tr>
<td>2010</td>
<td>387</td>
<td>90,621</td>
</tr>
</tbody>
</table>

Source: Bureau of Manpower, Employment & Training (BMET)
C. Country wise overseas employment

### Country wise overseas employment

*(1976 – 2010) Top 10 countries*

Source: Bureau of Manpower Employment and Training (BMET)

Remittances now form an important part of household livelihood strategies. The remittances sent by the migrant workers have grown over time. It has increased from US$ 1217.06 million (1995-96) to US$ 1097.00 million (2009-2010). The cumulative receive from Bangladeshi migrants during 1976-2010 stood at around US$ 78.67 billion. Bangladesh maintained a healthy growth in remittances through the formal channel. The trend of remittance has accelerated in recent years from $2.07 billion in 2001 to $11.00 billion in 2010, an average growth of 43 percent per annum, even in the global financial meltdown. The oil-rich Middle Eastern countries with more than 80 percent of the total stock of Bangladesh migrants accounts for a lion’s share of remittances. Table 2 shows the year-wise remittance from 1999 to 2010.
### Table-2: Remittance sent by Expatriate Bangladeshis

<table>
<thead>
<tr>
<th>Year</th>
<th>In crore(^1) Tk.</th>
<th>b US $</th>
<th>% increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>11,590.79</td>
<td>2.07</td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>16,484.53</td>
<td>2.85</td>
<td>37.68</td>
</tr>
<tr>
<td>2003</td>
<td>18,484.53</td>
<td>3.18</td>
<td>11.58</td>
</tr>
<tr>
<td>2004</td>
<td>21,285.95</td>
<td>3.56</td>
<td>11.95</td>
</tr>
<tr>
<td>2005</td>
<td>27,304.33</td>
<td>4.25</td>
<td>19.38</td>
</tr>
<tr>
<td>2006</td>
<td>38,366.56</td>
<td>5.48</td>
<td>28.94</td>
</tr>
<tr>
<td>2007</td>
<td>45,739.86</td>
<td>6.57</td>
<td>19.89</td>
</tr>
<tr>
<td>2008</td>
<td>63,109.15</td>
<td>9.01</td>
<td>37.14</td>
</tr>
<tr>
<td>2009</td>
<td>73,998.00</td>
<td>10.79</td>
<td>18.68</td>
</tr>
<tr>
<td>2010</td>
<td>76,500.00</td>
<td>11.00</td>
<td>2.61</td>
</tr>
</tbody>
</table>

Source: Bangladesh Bank

The Kingdom of Saudi Arabia is the most important source of remittances. Its share is about 29 percent of the aggregate remittances received in Bangladesh. The US, accounts for the second largest source nearly 15 percent of the total. Remittance figure attains 11.14% of GDP and 6 times of Overseas Development Assistance (ODA) and 12 times the Foreign Direct Investment (FDI) flow to Bangladesh. (Source: Calculated data from Board of Investment, Bureau of Statistics).

### Macroeconomic Benefits of Remittance

Remittances in Bangladesh arise as a poverty alleviating policy tool. It contributes directly in broadening the opportunities to increase incomes. It allows households to increase their consumption of local goods and services. At the community level, remittances generate multiplier effects in the local economy, creating jobs and spurring new economic and social infrastructure and services. At the national level, remittances provide foreign currency and contribute significantly to GDP.

Remittance has surpassed official aid transfers to developing countries, reduces international inequality and promotes poverty reduction. Measuring the impact of remittances is complex. But a growing body of evidence from poverty simulation model, cross-country regressions and analysis of household survey shows that remittances, in facts do reduce poverty-although the evidence of their effect on inequality is mixed (World Bank 2006).

The remittance has significant microeconomic impact at household level. The macroeconomic impact of remittances at household level partially depends on the

\(^1\) Crore is a local counting slab equal to 10m.
characteristics of the migrants and hence the recipients i.e. whether they constitute the rural poor, or the more educated sectors of the population generally residing in urban areas. The majority of Bangladeshi migrants abroad is unskilled, and originates from rural areas. The poorer the household, the more impact or benefits remittance income can have on alleviating poverty. In the short-term remittances help loosen the budget constraints of their recipients, allowing them to increase expenditures on both durables and non-durables products, and provides them with protection against negative income shocks (Bruyn 2005).

Investment in health and education is valuable for long-term economic growth and poverty reduction. Studies conclusively found that migrant families invested more in these areas (Murshid 2002). The most comprehensive review of the literature on remittances in Bangladesh (Bruyn2005) lays out a number of benefits that are listed in the table below:

Table - 3: Socioeconomic Impact of Remittance at Community & Household Levels in Bangladesh

<table>
<thead>
<tr>
<th>Major Indicators</th>
<th>Positive Impact of Remittances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nutrition</td>
<td>Allow families of migrants to meet basic nutritional needs</td>
</tr>
<tr>
<td>Living condition and Housing</td>
<td>Living condition and housing improved</td>
</tr>
<tr>
<td>Education</td>
<td>Invest for education of children</td>
</tr>
<tr>
<td>Healthcare</td>
<td>Increased investment for healthcare</td>
</tr>
<tr>
<td>Social security</td>
<td>Social security for elderly people increased</td>
</tr>
<tr>
<td>Investment</td>
<td>Increased investment in business or income generating Activities</td>
</tr>
</tbody>
</table>

Source: Modified from Tom de Bruyn 2005

Microeconomic Benefit at Household Level

Using HCI (Head Count Index), a study estimates that 21 percent of the migrant households were moderately poor prior to overseas migration by the respondents. In the post-migration period the proportion of such household slashed down dramatically to seven percent.

Study founded that remittances promote development through increased material and human capital investment. The study shows that from zero level of savings, respondents now save a quarter of their overseas income beside remittances. Apart from that their investment on health and education of family members, the two

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2 Harnessing Remittances for Economic Development of Bangladesh by Mr. Rashed Al Hasan, INAFI Bangladesh
major indicators of human capital has increased significantly compared to pre-migration level. Generally remittance is used in the following expenditures:

(a) Repaying loans for migration;
(b) Buying land and constructing house;
(d) Investing in business;
(e) Increase in income and savings;
(f) Community development;
(g) Improve living standard;
(h) Social ceremonies.

Human development includes construction and development of schools, colleges, health centers, water supply and sanitation, rural electrification etc. Migration also helps development or strengthening of family values and social norms and traditions which have a positive trend on human development.

A study shows that the higher the skill and education level of the expatriates the lower their ties with the host country and incidence of sending remittances back home. About 97 percent of the Bangladeshi overseas workers are outside professional categories; they have strong ties with home and tend to send a significant portion of their remittance back to Bangladesh. The investigation on the pattern of expenditure of the workers shows that the expatriate workers spend 29.8 percent of their income on personal consumption abroad; they send 44.9 percent of their income back home and save 22.8 percent. The remittances sent by the overseas workers are used for various productive, investment and consumption purposes. A major share of remittances (36 percent) is used to meet recurrent consumption which includes education, health care, and food. Such expenditures have a direct poverty alleviation impact. Another 20 percent is used for investment in land properties, while around 14 percent of remittances are spent to provide better housing arrangements.

It is found from a study that during migration the total income of migrant households increased by 119 percent. A significant portion of remittance is used for purchase of land and home construction. While going abroad a migrant worker usually manages the fund for his migration either by selling land or mortgaging land. So to retrieve the sold or mortgaged land some portion of remittance is used. The table below can clearly explore the utilization patterns of remittances in Bangladesh.
The various sectors and activities which are benefited most from remittance are construction, agriculture, services, manufacturing, transport and communication and social infrastructures.

The remittances are generally treated as income source of the family of a migrant worker. Usually the returnee migrants try to utilize the remittance in the investment opportunities. In the responses from the returned migrants, land is found the safest and most profitable investment. Migrant workers chose to invest in all kinds of land – arable, homestead, commercial, etc. They have also mortgaged in land as an income-earning avenue. Investment in savings among these families

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1 Siddiqui, Tasneem, Migrant worker remittances and Microfinance in Bangladesh
is found to be relatively low. Other investment sectors through utilizing remittance are considered as financing in sending other family members abroad; construction of structured home, investment in business, etc. Investment of remittances in productive venture is not always because of the lack of willingness of the part of individuals or families, but also due to lack of viable investment opportunities.

**Impact of Migration and Remittance to the Economy of Bangladesh**

Remittance has a considerable contribution to ease foreign exchange constraint, stabilizing the exchange rate and allowing Bangladesh to import much needed raw materials, intermediate goods and capital equipment. Comfortable reserves of foreign exchange have also contributed to overall macro stability and have reduced aid dependency. Remittance increases with the expanding migration process and accelerating movement of people for overseas employment market.

Remittances from migrants have positive impacts on poverty reduction and development in Bangladesh substantially contributing to the achievement of the Millennium Development Goals. These positive impacts become greater when remittances can be saved and invested in infrastructures and productive capacity. Government policy measures induce such use. Significant barriers to migration and remittance transfers need to be addressed in order to harness opportunities for development and poverty reduction, including through easing financial transfers, setting appropriate incentives, improving policy coherence in migration and remittance polices, and facilitating the temporary movement of people.

Migration can indirectly help alleviate poverty by raising the productivity, education and health of their families. Success of a migration depends on the positive gains and benefit accrued for the family members particularly to the children of women migrant workers. With the increasing importance of migration, government wants to maximize the contribution of manpower export for economic growth and poverty reduction of the country. It is now well accepted that one of routes to achieve the economic emancipation for Bangladesh lies in manpower export sector.

The remittance and economic development in Bangladesh can be broadly explained in two ways; overall Macroeconomic benefits of remittance and Microeconomic benefits at household level. The migration of workers in search of economic opportunity has enormous implications for development. It has significant positive impacts on household well-being and economic growth through improved income and increased integration in the global economy (World Bank 2006). Studies on Impact of International Labour Migration and Remittances on Poverty in
Bangladesh found that migration households experienced enormous expansion of their income base during the post migration period.

Bangladesh has witnessed a modest poverty reduction rate of around one percentage point a year since the early nineties. The percentage of population living in poverty fell from over 70 percent in 1970 to about 50 percent in 2000. A decline of nearly 10 percentage points occurred in just the first half of the nineties. The poverty Gap (P1) measures the average distance the poor are from the poverty line and the Poverty Severity (P2), the square of the Poverty Gap, investigates the distributional characteristics of the poor. Changes in these measures suggest that the average distance from the poverty line had decreased for the poor between 1991/92 and 2000 from 17.2 percent to 12.9 percent, and the rate of decline in P1 and P2 measures was faster than that of the head count rates (World Bank, 2006).

Impact of Migration on Women

Gradually more women are migrating on their own as principal wage-earners. They tend to take jobs in what are familiar to the female occupations so their experience is gendered as well. Many women who migrate find themselves at risk of gender-based violence and exploitation.

Socio-Economic impact of migration and Remittance

Benefits accrued through migration from Bangladesh have manifolds impact on the economy. Migration from Bangladesh facilitates the following socio-economic benefits of the migrants:

- It reduces the unemployment problem leading to poverty alleviation.
- Remittances enhance the economic condition of the migrants ensuring the economic development of the country. It is the highest amount of real foreign currency earning for the economy.
- It helps reducing the frustration among the women at young age, social problems, etc.
- It develops the capability of investment for self-employment and entrepreneurship.
- For movement of migrant workers, business related to hotel, traveling, transportation, etc. gets momentum in the country.
- It enhances the financial capability and purchasing power of the migrant workers.
- It enhances transfer of technology through technical knowledge and expertise acquired by the migrant workers working abroad.
It creates motivation and develops awareness of the migrant workers towards cleanliness, hygienic environment, importance of literacy, discipline, and uplift the standard of living.

**Impact of Remittance on balance of payment, investment, and national savings**

The most important macro-economic impact of financial flow arising from international labor migration is on the balance–of–payments and through that on the economy as a whole. A major benefit of labor export is the balance of payments support provided by remittance. In a situation of foreign exchange shortage, remittance inflows could promote investment and capacity utilization if most of the remitted foreign exchange is used for importing capital goods and essential inputs. Alternatively, increased foreign exchange availability may lead to a relaxation of controls on luxury imports. It may also lead the government to choose the easier short-run options instead of taking measures designed to strengthen the economy’s structure and reduce its import dependence in the longer run.

**Table 5: Remittance, its impact on Balance of Payment**

<table>
<thead>
<tr>
<th>Year</th>
<th>Remittance</th>
<th>Import</th>
<th>Export</th>
<th>Trade balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002-2003</td>
<td>3.06</td>
<td>9.66</td>
<td>6.55</td>
<td>3.11</td>
</tr>
<tr>
<td>2003-2004</td>
<td>3.37</td>
<td>10.85</td>
<td>7.6</td>
<td>3.25</td>
</tr>
<tr>
<td>2004-2005</td>
<td>3.85</td>
<td>13.18</td>
<td>8.65</td>
<td>4.52</td>
</tr>
<tr>
<td>2005-2006</td>
<td>4.8</td>
<td>14.75</td>
<td>10.53</td>
<td>4.22</td>
</tr>
<tr>
<td>2006-2007</td>
<td>5.98</td>
<td>17.16</td>
<td>12.18</td>
<td>4.98</td>
</tr>
<tr>
<td>2007-2008</td>
<td>7.92</td>
<td>21.63</td>
<td>14.11</td>
<td>7.52</td>
</tr>
<tr>
<td>2008-2009</td>
<td>9.69</td>
<td>22.51</td>
<td>15.57</td>
<td>6.94</td>
</tr>
<tr>
<td>2009-2010</td>
<td>10.97</td>
<td>23.74</td>
<td>16.2</td>
<td>7.53</td>
</tr>
</tbody>
</table>

Source: Bangladesh Bank and Bangladesh Bureau of Statistics (BBS)

The aggregate import of goods and services has gone up for Bangladesh almost twice over between 1980 and 1999. Remittances significantly exceed foreign direct investment and foreign aid for Bangladesh. Since 1996 onwards, remittance earnings also cover its trade deficit. It would enable countries to more vigorously pursue the objective of maximizing GNP rather than just GDP.

The importance of foreign remittances in the economy of Bangladesh is widely recognised. Along with the readymade garment (RMG) sector and non-farm activities in the agricultural sector, remittances have been identified as one of the three key factors that have been responsible for reducing the overall incidence of poverty in Bangladesh.
Impact of migration at Policy level

Remittance has also prominent effects as -
1. It strengthens country’s foreign reserve
2. Influence of Development Partners reduced at Policy level
3. Dependency of the country on Foreign Aid reduced
4. It maintains the balance of Payments

Adams and Page (2003) empirically demonstrated that international migration can be positively linked to a decline in the number of people living in poverty. A World Bank report (2007) recently linked 6 percent poverty cut in Bangladesh in 2006 to migration.

Table 6: Remittance, its impact on GDP & % of export earning

<table>
<thead>
<tr>
<th>Year</th>
<th>Remittance</th>
<th>GDP</th>
<th>as % of GDP</th>
<th>Export</th>
<th>as % of Export</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002-03</td>
<td>3.06</td>
<td>51.91</td>
<td>5.89</td>
<td>6.55</td>
<td>46.72</td>
</tr>
<tr>
<td>2003-04</td>
<td>3.37</td>
<td>56.53</td>
<td>5.96</td>
<td>7.6</td>
<td>44.34</td>
</tr>
<tr>
<td>2004-05</td>
<td>3.85</td>
<td>60.53</td>
<td>6.36</td>
<td>8.65</td>
<td>44.51</td>
</tr>
<tr>
<td>2005-06</td>
<td>4.8</td>
<td>61.98</td>
<td>7.74</td>
<td>10.53</td>
<td>45.58</td>
</tr>
<tr>
<td>2006-07</td>
<td>5.98</td>
<td>68.55</td>
<td>8.72</td>
<td>12.18</td>
<td>49.10</td>
</tr>
<tr>
<td>2007-08</td>
<td>7.92</td>
<td>79.55</td>
<td>9.96</td>
<td>14.11</td>
<td>56.13</td>
</tr>
<tr>
<td>2008-09</td>
<td>9.69</td>
<td>89.36</td>
<td>10.84</td>
<td>15.57</td>
<td>62.24</td>
</tr>
<tr>
<td>2009-10</td>
<td>10.97</td>
<td>98.75</td>
<td>11.11</td>
<td>16.2</td>
<td>67.72</td>
</tr>
</tbody>
</table>

Source: Bangladesh Bank and Bangladesh Bureau of Statistics (BBS)

Bangladesh still receives lower amount of remittances compared to the number of the national working abroad. Compared to the other labour sending countries number of Bangladesh immigrants is smaller, mostly short term in employment, less skilled in working performance and low paid. Informal remittance transfer has long been seen as a strong barrier to receiving remittances in full swing.

A stable business climate encourages the investment of income from remittances and a sound financial infrastructure is essential if remittances are to have a positive impact.

Poverty Reduction Policies and Migration

Empowerment of the migrant workers may be possible through ensuring appropriate social and economic re-integration which can be ensured through the following measures:
1. Liaison with Investment opportunities in the country at various levels.
2. Arrangement of loan from banks for SME initiatives.
3. Providing Training on cooperative basis to the returnee women migrants.
4. Arrangement of re-migration.
5. Basic training in technically employable trades.
6. Refresher training of semi skilled level of workers to upgrade their skill.
7. Assisting in Information and Communication Technology project.
8. Providing Community Based Training on cooperative basis.

Government Initiatives towards better migration management

Government of Bangladesh is always trying to maximize the benefits from remittance to ensure more positive impact on the economic development. With this view the Ministry of Expatriates’ Welfare and Overseas Employment and its department the Bureau of Manpower Employment and Training (BMET) are adopting various measures to regulate the migration.

i) Vision of the Ministry
To emphasize more on migration sector, the Bangladesh Government has established the Ministry of Expatriates’ Welfare & Overseas Employment in 2001 to ensure welfare of the expatriate workers and increase of the overseas employment. The Ministry has been rendering ceaseless efforts in enhancing the flow of remittance and to provide equal opportunity of the people of all areas of the country for overseas employment and ensuring overall welfare of the migrant workers. Bureau of Manpower, Employment & Training (BMET) is also responsible to regulate the entire migration process and is engaged for overall planning and implementation of the strategies for proper utilization of manpower of the country.

ii) Digitization in Migration management
A Computer database has been prepared to stop the fraudulent activities in the process of migration. Public awareness campaign for the overseas employment is being conducted. Smart card with a computer chip of 32 kb is being provided to the migrant workers to ensure accountability and transparency in the process.
iii) Establishment of Expatriates Welfare Bank

With a view to reducing the cost of migration, the Government has established “Expatriates Welfare Bank” (Probashi Kallyan Bank\(^4\)) for giving loan with simple interest to the aspirant workers going abroad and providing financial assistance to the returnee migrants to invest in productive activities. A long cherishing vision came into being on the very day of launching of Colombo Process Summit\(^5\), the bank had been inaugurated by the Honourable Prime Minister of Bangladesh Sheikh Hasina on 20 April 2011.

iv) Promotion of Skill Development Training

The Bureau of Manpower, Employment & Training has taken up programmes for facilitating export of skilled manpower through providing training to the workers in 38 Technical Training Centres (TTC) in various trades. Two projects are being implemented to establish 35 more Training Institutes in different Districts to facilitate exporting more skilled workers.

An endowment fund of US$ 20m (Tk. 140.00 crore) has been allocated to encourage the skill development training for facilitating overseas employment.

v) Initiatives and Incentives for Smooth Transfer of Remittances

Government and Bangladesh Bank extend their efforts to encourage expatriate Bangladeshi nationals to send their hard earned foreign currency through official channels. Now-a-days nationalized and commercial bank have established strong network abroad for easy transfer of remittance to Bangladesh. As a result the flow

\(^4\) “Probashi Kallyan Bank” is the name of the bank in Bangla

\(^5\) ‘Colombo Process’ is a forum of cooperation among 11 labour sending countries in South Asia of which Bangladesh is the present Chair.
of transferring remittance in Bangladesh through official channels is increasing day by day. To boost the remittance flow government has undertaken various investment initiatives. Different types of savings products like US Dollar Bond, Premium Bond, and Wage Earners’ Development Bond are offered for expatriate Bangladeshis. Moreover, tax holiday and tax exemption are also provided to encourage remittance flow and utilize it for economic development. Additionally CIP (NRB) cards and Privilege cards for the expatriates’ Bangladeshis have introduced to encourage more flow of remittance.

Increasing the number of public and private banks and exchange houses is major destination countries to make the remittance services easily available to the migrant workers abroad and their families as well back in home. Technology based mobile banking has reduced money both transfer cost and time.

vi) Initiative to explore new markets

Government is trying to maximize the geographical areas for overseas employment although global economic down turn persists. Initiative has been taken to export manpower to new destinations particularly in Australia, Canada, Russia, New Zealand, Sweden, Greece, Congo, South Africa, Lebanon, Algeria, Sudan, Poland, Romania, Botswana, Tajikistan, etc. in addition to the present market area.

vii) Efforts to reduce migration cost

This manpower export sector is stigmatized by the allegation of charging high migration costs. This is mainly due to the unethical practices of the Recruiting Agencies in procuring visa and purchasing it with a high cost. Government has adopted various measures towards curbing this exorbitant migration cost to ensure the migration make a success. A Committee in the Ministry along with the representation from Recruiting Agency Association BAIRA⁶ to analyze the item-wise expenditure critically during migration and suggest a reasonable migration cost. Arrangement of G2G⁷ recruitment has been taken to check and balance the migration cost and visa trading.

viii) Holding the Colombo Process⁸ Summit

Bangladesh is the current Chair of the Colombo Process. The fourth Ministerial level consultation was arranged by the Government of Bangladesh on 20 April 2011

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⁶ BAIRA is the Association of Recruiting Agencies for Manpower for Overseas Employment
⁷ G2G is the Government to Government arrangement for recruitment of manpower
⁸ The Colombo Process, established in 2003, as a Regional Consultative Process (RCP) on the management of overseas employment and contractual labour for countries of origin in Asia, is cooperation on issues of common interest and concern relating to labour mobility. The main area of focus is the protection of and provision of services to migrant workers.
in Dhaka. Honourable Prime Minister of Bangladesh Sheikh Hasina Inaugurated the Summit. The theme of the summit was ‘Migration with Dignity’. 11 member states and 9 observers from different labour receiving countries and International Organisations attended the summit and discussed various common issues on protection of rights of the migrant workers. A ‘Dhaka declaration’ has been adopted in concluding session. (Annex 1).

ix) Repatriation of workers from Libya and their rehabilitation Project

With the outbreak of the crisis in Libya, 36,500 workers have been repatriated from Libyan borders with the assistance from IOM, Red Cross and UNHCR. Their situation is subject to an evolving humanitarian crisis and threatens the livelihoods of many migrants’ families that relied on critical remittances from abroad to stay out of poverty. Government of Bangladesh (GoB) has arranged to assist the returnees for a cash grant to meet the immediate subsistence using credit of IDA financing.

x) Enhancement of Labour Attaché

To provide more intensive welfare services to about 7 million Bangladeshi workers working abroad, more posts of Labour Attaché have been created. To ensure the protection of right of the migrant workers and to mitigate problems of the workers, Labour Attaché is engaged in dedicated services. Recently Ministry increases the number of Labour Attachés in some existing Labour Wings and also opened new Labour Wings in Japan, Italy and Jordan.

xi) Inter-Ministerial Vigilance Task Force

Stringent monitoring of the migration management at different stages is very important issue. Unscrupulous agencies and intermediaries or middlemen sometimes create problems through cheating the innocent aspirant migrant worker in different way. To curb this type of fraudulent activities, the Ministry has formed Vigilance Taskforce with the representation from other relevant ministries. The Taskforce keeps on monitoring at various stages of migration including in the airports during departure of the workers.

xii) Updating of Emigration Ordinance

In Bangladesh, the entire migration management process is controlled and regulated by the Emigration Ordinance 1982. With a view to making it more effective and matching with the situation of present time, the provision of the ordinance have been reviewed and the law has been updated.

xiii) Adopting Anti-Trafficking Law
To keep the migration free from all kinds of deceive and fraudulent practices particularly to dissociate it with the attempt of trafficking in the name of migration, government is finalizing the Anti-trafficking law with some special features making it punishable offence.

**Conclusion**

The Government of Bangladesh with 160 million people is faced with a challenge to use the human resource effectively. The GOB has recognized labour migration as a potential tool for the socio-economic development of the country. Efforts to manage migration have been strengthened and introduced digitized migration management system in order to maximize benefits from migration and minimize the harmful effects.

Poverty reduction has become an immediate agenda of the government of Bangladesh that it has take up the National Strategy for Accelerating of Poverty Reduction (NSAPR-II) in order to combat it urgently. One of the most important vehicles for reduction of poverty is migrant workers’ remittances.
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